



ADAPTATION FUND

AFB/PPRC.38/18/Add.1
10 September 2026

Adaptation Fund Board
Project and Programme Review Committee
Thirty eighth Meeting
Bonn, Germany, 19-23 October 2026

Agenda Item 4 (o)

PROJECT FORMULATION GRANT FOR MONGOLIA

I. Background

1. The Board at its eleventh meeting discussed the document “Funding for Project Formulation Costs” (AFB/11/6) and agreed, in its Decision B.11/18, that:

- i. project formulation grants (PFG) should be given once a project concept has been approved
- ii. consideration should be given in terms of differentiating between NIEs and MIEs, since some NIEs might have financial difficulties in trying to formulate project or programme proposals;
- iii. a flat rate should be given for project formulation costs;
- iv. a list of eligible activities and items still needed to be prepared; v. the grant should be additional to the project cost; and
- v. the fate of funds if the final project document was rejected should be determined.

2. There was consensus that a three-tiered system should be considered for project formulation grants: endorse a project concept with a PFG amount, endorse a project concept without a PFG amount, or reject the project concept.

3. Following the discussion, the Board decided:

To request the secretariat to reformulate the document, to include a comparison of eligible activities provided by other funds for project formulation grants, to take into account guidance provided by the Board at the present meeting, and to submit the document to the Board at its twelfth meeting, through the EFC. The EFC should review and finalize the process and policy of the project formulation grant focusing, in particular, on: the issue of unspent project funds; the procedures followed by other funds in that regard; and the determination of a flat-rate.

4. A document was prepared by the secretariat in response to the above mandate and presented at the third EFC meeting, which made specific recommendations to the Board at its twelfth meeting. Having considered the recommendation of the Ethics and Finance Committee, the Board, in its Decision B.12/28, decided that:

(a) Project Formulation Grants (PFGs) will only be made available for projects submitted through NIEs. The Board would continue reviewing the question of PFGs for projects submitted through MIEs and would solicit comments from members and alternate members by February 14, 2011; the views would be compiled by the secretariat for presentation to the Board at its March 2011 meeting;

(b) If a country required a project formulation grant, a request should be made at the same time as the submission of a project concept to the secretariat. The secretariat will review and forward it to the PPRC for a final recommendation to the Board. A PFG could only be awarded when a project concept was presented and endorsed;

(c) A PFG form, reproduced in Annex V, should be submitted;

- (d) Only activities related to country costs would be eligible for PFG funding;*
 - (e) A flat rate of up to US\$30,000 shall be provided, inclusive of the management fee, which cannot exceed 8.5 per cent of the grant amount. The flat fee would be reviewed by the Board at its thirteenth and all subsequent meetings;*
 - (f) If the final project document is rejected, any unused funds shall be returned to the Adaptation Fund Trust Fund;*
 - (g) Once a project/programme formulation grant is disbursed, a fully developed project document should come to the Board for approval within 12 months. No additional grants for project preparation can be received by a country until the fully developed project/programme document has been submitted to the Board; and*
 - (h) The Trustee was instructed to remove the set-aside of US\$100,000 for project preparation that had been decided at the June 2010 meeting, as project preparation would be approved on a project-by-project basis.*
5. In its twenty-fourth meeting, the Board had initiated steps to launch a pilot programme on regional projects and programmes, not to exceed US\$ 30 million and had requested the secretariat to prepare for the consideration of the Board a proposal for such a pilot programme (Decision B.24/30). In its twenty-fifth meeting, the secretariat submitted such document and the Board decided to:
- (a) Approve the pilot programme on regional projects and programmes, as contained in document AFB/B.25/6/Rev.2;*
 - (b) Set a cap of US\$ 30 million for the programme;*
 - (c) Request the secretariat to issue a call for regional project and programme proposals for consideration by the Board in its twenty-sixth meeting; and*
 - (d) Request the secretariat to continue discussions with the Climate Technology Center and Network (CTCN) towards operationalizing, during the implementation of the pilot programme on regional projects and programmes, the Synergy Option 2 on knowledge management proposed by CTCN and included in Annex III of the document AFB/B.25/6/Rev.2.*
- (Decision B.25/28)*
6. The approved document AFB/B.25/6/Rev.2 contained provisions for the approval of project formulated grants for regional project and programme proposals, at different development stages, as follows:
- "It is proposed that the Board open a structured call for MIEs and RIEs to submit pre-concepts for regional projects and programmes. The optional pre-concepts would be very brief proposals of maximum 5 pages that would explain the proposed regional adaptation project/programme. The pre-concepts would be screened and technically reviewed by the*

secretariat, and subsequently reviewed by the PPRC. Together with the pre-concept, the proponent could submit a Phase I PFG request, up to the maximum level of US\$ 20,000. While endorsing the pre-concept, the Board could also approve the Phase I PFG request. The endorsement of the pre-concept would not create an obligation for the Board for later funding. As the next step, the proponent would submit a concept, and with it the proponent could submit a Phase II PFG request. The maximum AFB/PPRC.18/25/Add.1 level of the Phase II PFG would be US\$ 80,000 for proposals that had been previously granted Phase I PFG, and US\$ 100,000 for proposals that bypassed the optional pre-concept stage. While endorsing the concept, the Board could also approve the Phase II PFG request. The endorsement of the concept would not create an obligation for the Board for later funding, as it is the case for the national projects. The final stage of the proposal process would be the submission of the fully-developed regional project document”.

II. The Project Formulation Grant Request

7. This addendum to the document AFB/PPRC.38/18 “Proposal for Mongolia” includes a request for a Project Formulation Grant, requesting a budget of US\$ 89,165, which was received by the secretariat along with the concept for the AF00000525 “Transitioning to healthy and climate-resilient sanitation in ger areas of Ulaanbaatar, Mongolia”. This proposal was submitted by World Health Organization (WHO), which is a Multilateral Implementing Entity of the Adaptation Fund, in time for consideration by the Adaptation Fund Board at its forty-seventh Board meeting.

8. In accordance with Decision B.12/28, paragraph (b), the secretariat carried out an initial review of the PFG request and found that the document provided detailed information on the use of the requested funds. The proposed activities were aligned with the goal of the project and would support comprehensive consultation process; validation workshops; baseline assessments; environmental and social management plan (ESMP) and full proposal development.

9. Therefore, the PPRC may want to consider and recommend to the Board to approve the PFG Request, provided that the related concept proposal is endorsed.



ADAPTATION FUND

ADAPTATION FUND BOARD SECRETARIAT
TECHNICAL REVIEW OF PROJECT PROPOSAL FOR
"TRANSITIONING TO HEALTHY AND CLIMATE-RESILIENT SANITATION IN GER AREAS OF
ULAANBAATAR, MONGOLIA"

Project Title Transitioning to healthy and climate-resilient sanitation in ger areas of Ulaanbaatar, Mongolia

Project ID AF00000525

Category Regular size project (over \$1 million)

Type Single country project

Stage Concept

Country Mongolia

Implementing Entity WHO

Financing Requested USD 13,645,664.00

Reviewer

Co-reviewer(s)

IE Contact Person

Abigail Amoak-Afoko, Antonios Kolimenakis, Elena Villalobos-Prats, Fernando Galindo, Innocent Nuwagira, Letitia Nangwale, Nicole Sarkis, Shalala Ahmadova, Socorro Escalante

Secretariat's Overall Comment

The project “Transitioning to healthy and climate-resilient sanitation in ger areas of Ulaanbaatar, Mongolia” aims to protect and improve the health and well-being of residents in the ger areas of Ulaanbaatar by promoting the adoption of innovation-driven, healthy and climate-resilient sanitation systems and services at both the household and healthcare facility levels, while integrating community engagement and behaviour change approaches.

The initial technical review raised several issues, such as the Theory of Change, Benefits, Cost Effectiveness, the Consultative Process, Duplication from other funding sources, Sustainability, Alignment with the AF Results Framework and Risks and impacts, among others, as is discussed in the number of Clarification Requests (CRs) and Corrective Action Requests (CARs) raised in the review.

The second technical review raises several issues, such as more information on components descriptions, some amendments to the Theory of Change, further details on the use of USPs, among others, as is discussed in the number of Clarification Requests (CRs) and Corrective Action Requests (CARs) raised in the review.

The third technical review finds that most of the issues raised in the first review have been addressed. However a few issues related to the stage of completion on the cover page, alignment with AF Results Framework, Sustainability, Risks and Impacts, as is discussed in the number of Clarification Requests (CRs) and Corrective Action Requests (CARs) raised in the review.

The fourth technical review finds that most of the issues raised in the first review have been addressed with few issues remaining such as the alignment with AF Results Framework, Sustainability and Risks, as is discussed in the number of Clarification Requests (CRs) and Corrective Action Requests (CARs) raised in the review.

The fifth technical review finds that two remaining CARs need to be addressed related to the results framework alignment table and the ESP risk table as stated in the CARs below.

The sixth technical review finds that all outstanding CRs and CARs have been addressed.

Country Eligibility

Is the country party to the Kyoto Protocol, or the Paris Agreement?

Response: Yes

Secretariat: N/A

Is the country a developing country particularly vulnerable to the adverse effects of climate change?

Response: Yes

Secretariat: Mongolia is among the countries most vulnerable to climate change. Over the past 80 years, the country has experienced rising ambient annual air temperature, decreasing annual precipitation, increased snowfall, summer flooding, early snowmelt, droughts, and extreme cold that overwhelm pit latrines and cause overflows, contamination, and disease risks.

May 11, 2026

Project Eligibility

Has the designated government authority for the Adaptation Fund endorsed the project/programme?

Response: Yes

Secretariat: Yes, As per the Endorsement letter dated 16 February 2026.

May 11, 2026

Does the length of the proposal amount to no more than Fifty pages for the project/programme concept, including its annexes?

Response: Not Cleared

Secretariat: Yes.

The total number of pages, including annexes, is 38 pages in total.

CR1: In the Project Calendar (p.13), the Terminal Evaluation is currently scheduled for Q2 2031, which around the same time as the Project closing date of Q2 2031. Please note that the Terminal Evaluation should be

scheduled within 9 months after the final closing date of the project. Please revise the date of the Terminal Evaluation to allow sufficient time after Project Closure for the Evaluation to take place (e.g. Q4, 2031 or Q1, 2032).

CR2: Please ensure that:

1. all tables are numbered and with proper headings fore easier review and reference. This includes the tables that comes from the template.
2. In Part II, include the letter numbering of “J” in the section on the overview of the environmental and social impacts and risks identified.

May 11, 2026

Response: Not Cleared

Secretariat: CAR19(NEW): Please ensure that:

- the CN does not exceed 50 pages in total.
- The page numbers are sequential and visible on every page.
- All paragraphs are numbered for easier review and reference.
- That the stage of completion on the cover page to reflect that this is a re-submission and include the latest submission date when resubmitting.

CR1: Cleared.

As per the correction made in Table 2 (p. 14), the Terminal evaluation has been moved to Q4/2031.

CR2: Cleared.

1. All tables include captions and are properly numbered throughout the CN.
2. All section titles now include the corresponding letters.

June 19, 2026

Response: Not Cleared

Secretariat: CAR 19 (NEW): Not Cleared

While the number of pages does not exceed 50 pages, the page numbers are sequential and visible on every page and the paragraphs are numbered for easier review and reference, the stage of completion on the cover page still states First Submission even though this is a resubmission.

Please change the stage of completion on the cover page to reflect that this is a re-submission and include the latest submission date.

July 6, 2026

Response: Cleared

Secretariat: CAR 19 (NEW): Cleared as per revision on the cover page

August 12

Does the project / programme support concrete adaptation actions to assist the country in addressing adaptive capacity to the adverse effects of climate change and build in climate resilience?

Response: Pending

Secretariat: Yes.

However, additional information is required.

The project contains a set of activities suited to addressing the climate change impacts identified (See the Table

on Project/Programme Components and Financing (pp 8 – 11) and Part II A – Project/Programme Justification (pp 13 – 17).

The components are presented as Phases for adaptation:

Phase 1 assesses climate risks to sanitation chains, soil/water contamination, and technical needs for resilient technologies, using vulnerability tools and stakeholder input. Phase 2 establishes an innovation hub for feasibility studies and piloting cold/flood-resistant solutions drawing from global catalogs like World Bank's cold-region options. Phase 3 entails Pilot and scale installations with training on maintenance, monitoring emissions/diseases, and policy integration for nationwide rollout and Phase 4 evaluates the performance of the installed technologies and disseminates information on guidelines/policy briefs. However, a description of the components, products and activities is not provided, nor a Theory of Change to explain the vertical logic of the proposed project.

CR3: Please use the term Component rather than Phase.

CAR1: Please include a brief statement showing the AF Strategic Objectives or outcome area which the projects support at Part II Section B.

CR4: Please provide specific details to describe each component, product and activity. Please consider the following:

1. For example, who would be involved, only governmental actors or also additional stakeholders.
2. outputs are the direct, tangible products (e.g., trainings held).
3. Kindly structure each output around activities (actions needed to reach an output). For each activity, include details such as stakeholders involved and the number of beneficiaries with gender-disaggregated figures.
4. Define the tangible outputs and outcomes, including measurable indicators, where applicable, for each component.
5. For each output, explicitly indicate a target.

CR5: Kindly include a Theory of Change narrative and diagram and ensure that follows this structure:

- (i) the main problem first;
- (ii) the overall objective;
- (iii) components;
- (iv) outcomes, outputs, and activities.
- (v) Finally, assumptions and risks should be presented as transversal elements across all of the above.

CR6: The funding distribution between the 4 components might need a revision or clarification. Component 3 is almost 92% of all the funding for the 4 components.

May 11, 2026

Response: Pending

Secretariat: CR3: Cleared.

As per revise Table 1 (p.8 - p.12). All references to “phase” have been replaced with “component.”

CAR1: Cleared.

As per revised Part II.A (p.14), it is stated that the proposed project is aligned with AF Outcomes 1, 2, and 3.

CR4: Not Cleared.

While Table 3 (p.13 – p.20) has been included to reflect the information about the outputs, stakeholders, activities, beneficiaries and targets, outputs and targets, outcomes and indicators, and contribution to climate resilience, please amend the following:

- In the column of beneficiaries, it should be a global number for each component. This target should be disaggregated by sex.
- Targets should be stated for outputs and outcomes, specifically for the indicators for each case. Please keep in mind that further detail on projects indicators is part of the Full Proposal Stage.

CR5: Not Cleared.

While a Theory of Change diagram and statement have been included in Part II.A (p.22 - p.25) please amend the following:

- Avoid using the term “phases” as a synonym for “components.” (This is also applicable throughout the document).
- Separate assumptions from risks.
- Assumptions and risks should be clearly defined, developed, and specific to the project.
- Strengthen the ToC statement to clearly and vertically link all elements from the diagram above.

CR6: Cleared.

As per revised Table 1. Following a review of the figures, Component 3 now represents 88% of all the funding for the 4 components.

CR18(NEW): Please clarify what will be financed under each component. For example, when referring to sanitation technologies, please include a description of these technologies under Part II.A.

June 19, 2026

Response: Cleared

Secretariat: CAR4: Cleared

Table 3 (p9 18 - 25) has been revised accordingly. The “Beneficiaries & targets” column now presents consolidated beneficiary totals for each component, with sex disaggregation.

In addition, the “Outputs & targets” and “Outcomes & indicators” columns have been strengthened to include explicit measurable targets for each component. These now specify quantifiable output targets

CAR5: Cleared

The word "phases" is no longer used in the document as a synonym for "components"

Assumptions and Risks in the Theory of Change have been separated and are now clearly defined and developed and are specific to the project (pp 33 - 34)

The ToC statement has been strengthened to clearly and vertically link all elements from the diagram. (pp 29 - 33)

CR 18(NEW): Cleared

The description of each component in Part II.A has been strengthened to explicitly indicate the types of expenditures and interventions financed (pp 31 to 33)

In addition, Part II.A has been strengthened to clarify that the project focuses on climate-resilient, context-appropriate sanitation technologies suitable for cold, flood-prone ger areas, rather than one predefined technology. The description now specifies that the project will assess, pilot, and scale technologies such as: technologies such as:

- Improved, sealed on-site sanitation systems
- Septic tank-based systems adapted for cold climates,
- Container-based or modular sanitation systems,
- Associated fecal sludge management solutions, .

(See paragraph 24, pp 16 - 17)

July 11, 2026

Does the project / programme provide economic, social and environmental benefits, particularly to vulnerable communities, including gender considerations, while avoiding or mitigating negative impacts,

in compliance with the Environmental and Social Policy and Gender Policy of the Fund?

Response: Pending

Secretariat: Yes.

However, additional information is required.

Part II B (page 17) provides a broad description of the economic, social and environmental benefits. However, these benefits are not quantified. The data are not disaggregated by gender nor is there specific information on the target areas where marginalized and vulnerable groups have been identified. There is also no information on the selection criteria which will be used for selecting the target areas.

CAR2: Kindly quantify the economic, social and environmental benefits in Part II.B, whenever possible, including a brief explanation of the method used for these calculations. In cases where exact figures are not available, please provide estimations or qualitative proxies to support the impact of the proposed project.

CAR3: Since the target areas and beneficiaries in those areas have not been identified, it implies unidentified subprojects (USPs) which are usually not encouraged by AF and require compliance with related specific requirements. Please clearly indicate all USPs under related components, along with a brief discussion on how they will managed to comply with the AF requirements. Refer to this link for guidance.

CAR4:

1. Please indicate whether an initial gender analysis or assessment was conducted to inform the formulation of the Concept Note and if so, indicate whether there was participation of stakeholders with a gender remit.
2. Please include the initial gender assessment in the re-submission as required at concept note stage.

CAR5: Kindly state the estimated direct and indirect beneficiaries (gender-disaggregated) for the overall project. Also, please identify the specific vulnerable groups (e.g., women, indigenous peoples) who will benefit from the project.

CAR7: Please describe how the benefits will be equitably distributed. In addition, provide specific information on which benefits each vulnerable community (including women) will receive.

CAR6: Please indicate whether there are any negative concerns or risks of the project unintentionally increasing risk, harm, or future vulnerability.

May 11, 2026

Response: Pending

Secretariat: CAR2: Not Cleared.

Please specify the increase in production that would result from the implementation of this project (or the amount saved by reducing treatment costs). In addition, please include a summary table with the benefits figures for each dimension (economic, social, and environmental).

CAR3: Not Cleared.

While a justification for the use of USPs has been included under Part II.B (p. 28), please follow the Guidance Document for Project/Programme with Unidentified Sub-Projects While a justification for the use of USPs has been included under Part II.B (p. 28), please follow the Guidance Document for Project/Programme with Unidentified Sub-Projects and include in the CN the following:

- Specify the outputs that include USPs.
- The specific benefits of not formulating the activities in advance; and
- An explanation of how these benefits outweigh the potential risks of non-compliance with the ESP and GP.
- Indicate that the USPs will also be subject to the ESMP.

CAR4: Not Cleared.

While an Initial Gender Analysis has been included in Part II.B (p. 27), the information is broad. Please include the following:

- Figures showing the gap between men and women in Green Koshi, as well as at the national level.
- Gender gaps in the labor market, education, and access to financial markets, income, political participation,

among others.

CAR5: Not Cleared.

Please state, under Part II.B, the estimated direct and indirect beneficiaries (gender-disaggregated) for the overall project. Also, please identify the specific vulnerable groups (e.g., women, indigenous peoples) who will benefit from the project.

CR7: Not Cleared.

While Part II.A (p. 26) states that “at least 50% of direct beneficiaries and at least 55% of participants in training and community engagement activities, with specific efforts to include female caregivers and vulnerable groups”, please clarify what specific benefits will be for vulnerable groups, such as women, and how the minimum thresholds of 50% and 55% female participation will be ensured.

CAR6: Cleared.

As per revised Part II.B (p. 28). The last paragraph states that “Overall, no significant or irreversible negative impacts are anticipated”.

June 19, 2026

Response: Pending

Secretariat: CAR2: Cleared

Part II B has been revised to provide detailed estimates of direct economic benefits. The total direct annual economic benefit is conservatively estimated at USD 260,000–355,000. These are conservative proxy estimates based on direct beneficiary numbers, expected disease reduction, and avoided sanitation-system failure. In addition, broader indirect estimates were provided and indicative benefits were estimated using proxy assumptions. (Paragraphs 43 - 54).

Social benefits are described in Paragraph 55 and Economic benefits are described in paragraph 56. Table 4 presents a Summary of quantified benefits (direct + indirect + additional indicative values) for all three dimensions - economic, social and environmental.

CAR3: Cleared

The outputs that include USPs are described in para 66. They are:

- Output 2.1: Climate-resilient sanitation solutions identified and validated through feasibility studies and innovation processes;
- Output 3.1: Pilot implementation of climate-resilient sanitation systems at household level;
- Output 3.2: Scale-up of climate-resilient sanitation services for households and primary health care facilities.

The specific benefits of not formulating the activities in advance are stated in paragraph 70. They include:

- Context-specific design and targeting
- Avoidance of maladaptation
- Improved equity and inclusion, and
- Enhanced cost-effectiveness

An explanation of how these benefits outweigh the potential risks of non-compliance with the ESP and GP is provided in paragraph 71.

Paragraphs 72 and 73 Indicate that all USPs are subject to the Environmental and Social Management Plan (ESMP) and will comply with the Adaptation Fund Environmental and Social Policy and Gender Policy.

CAR4: Cleared

Green Koshi is not located in Mongolia (it is in Nepal), therefore, the question does not apply to Mongolia context.

Information on the Gender gaps in the labour market, education, and access to financial markets, income, political participation, among others is provided in paragraph 58 (page 39)

CAR5: Cleared

The estimates of direct and indirect beneficiaries (gender-disaggregated) for the overall project are provided in paragraphs 31 - 33. The specific vulnerable groups (e.g., women, indigenous peoples) who will benefit from the project are identified in paragraphs 34 - 42

CR7: Cleared

Specific benefits for vulnerable groups, such as women, children, older persons and persons with disabilities are detailed in paragraphs 30 and 31 (page 35).

Paragraph 62 describes how the minimum thresholds of 50% and 55% female participation will be ensured.

Measures include:

- Gender-responsive beneficiary selection criteria, prioritizing female-headed households and vulnerable groups;
- Mandatory participation targets embedded in all training, consultation, and community engagement activities;
- Active outreach and engagement strategies, including scheduling, location, and facilitation approaches that ensure women's participation;
- Sex-disaggregated monitoring and reporting across all outputs and outcomes, with regular tracking and corrective actions if targets are not met; and
- Inclusion of women in technical and decision-making platforms, including the innovation hub and stakeholder consultations.

July 13, 2026

Is the project / programme cost effective?

Response: Pending

Secretariat: Unsure.

Additional information is required.

Part II Section C (pp 19 – 20) of the CN provides a preliminary cost-effective analysis, citing global evidence that every dollar invested in sanitation yields up to US\$5.50 in returns through reduced poverty, health costs, and economic losses from climate-sensitive diseases. However, the dollar value provided is not specific to Mongolia. In addition, the analysis does not include sufficient quantitative information and can benefit from further analyses. A more rigorous analysis is required and indicates that a systematic analysis involving underserved Ger residents, including women, children, and low-income households, will be conducted to assess the socio-economic and environmental conditions, as well as the performance and limitations of existing sanitation technologies under cold-climate and extreme weather conditions.

CAR7:

1. Please ensure that the analysis provides a logical explanation of the selected scope and approach and that the cost effectiveness is also demonstrated from a sustainability point of view. A logical explanation should be provided for each component of the proposed project.
2. Kindly include quantitative estimates or proxies or qualitative justifications to support the comparison between the selected measures and alternative options.

May 11, 2026

Response: Pending

Secretariat: CAR7:

1. Not Cleared.

Please provide a clear and logical narrative on cost-effectiveness for each component. This explanation should include a comparison between the proposed project and a baseline scenario. If needed, present this comparison

on a table. In addition, please indicate how much GDP would increase as a result of the project's implementation.

2. Not Cleared.

Please include quantitative estimates or proxies to support the comparisons. These comparisons should be made against specific alternatives rather than broad information (p. 29).

June 17, 2026

Response: Cleared

Secretariat: CAR7:

1. Cleared

Part IIC, (paragraphs 75 - 86) provides a clear and logical narrative on cost-effectiveness for each component, including a comparison between the proposed project and a baseline scenario.

Social and economic benefits are also described to show how they contribute to the project's cost effectiveness (para 82 - 84).

At the macroeconomic level, the project is expected to generate a GDP effect of approximately USD 0.52–2.6 million per year (equivalent to around 0.01–0.05% of GDP), based on a 2–10% reduction in national sanitation-related losses estimated at USD 26 million annually, reflecting the combined impact of reduced disease burden, improved environmental conditions, and increased efficiency of health system services. (paragraph 85)

2. Cleared

Table 5 on page 46 Table 5 summarizes the comparative cost-effectiveness of proposed sanitation technologies and alternative options.

July 13, 2026

Is the project / programme consistent with national or sub-national sustainable development strategies, national or sub-national development plans, poverty reduction strategies, national communications and adaptation programs of action and other relevant instruments?

Response: Pending

Secretariat: Yes.

As per information provided in Part II D (pp 18 – 20). It describes how the project/programme is consistent with national or sub-national sustainable development strategies. These include: the relevant SDGs, the Vision 2050, Mongolia's 5-year Development Policy Framework, the NAP, NDC and Action Plans for Environmental Health and for the Capital, Ulaanbaatar city for 2024-2028. For each plan, the areas are alignment with the specific objectives are provided.

May 11, 2026

Does the project / programme meet the relevant national technical standards, where applicable, in compliance with the Environmental and Social Policy of the Fund?

Response: Pending

Secretariat: Yes

However, additional information is required.

Part II E (pp 20 – 21) describes how the project/programme meets relevant national technical standards, indicating that the project is designed to align with Mongolia's regulatory framework and technical standards and the Environmental and Social Policy of the Adaptation Fund. The section cites compliance with Mongolian

Law of Environmental Impact Assessment, the law of hygiene and a number of building norms and standards related to, inter-alia hospital buildings, wastewater treatment, pit latrines and soak pits. However, the information provided is not comprehensive and requires more details.

CAR8: Kindly include a table listing with all national standards applicable to the activities of the proposed project. For each identified standard, please include the following information:

1. The scope and relevance should be described specifically. For example, by clarifying whether these are minimum requirements or standards for construction.
2. How it relates to the proposed project, clearly identifying the outputs/activities that will require compliance with the identified standard.
3. The project's compliance status. In the case that compliance is required, please include the steps needed to comply with it.
4. Ensure that the table listing is comprehensive and includes any other sector-specific regulations.

May 11, 2026

Response: Cleared

Secretariat: CAR8: Cleared.

As per Table 4 included in Part II.E (p. 32 - p.34).

June 17, 2026

Is there duplication of project / programme with other funding sources?

Response: Pending

Secretariat: Unsure.

Additional information is required.

Part II E (page 21) indicates that the project is unique in that it introduces innovative, climate-resilient sanitation as a public health adaptation and mitigation strategy for Ulaanbaatar's unserved ger areas, tackling gaps in health, environment, climate, engineering, and urban development through multidisciplinary coordination. However, there is no mention of relevant potentially overlapping and/or synergistic project/programmes funded with other funding sources.

CAR9: Kindly include the information in a table listing format for easier visualization and review, including all projects that are or have been implemented in Colombia and are related to the proposed project. For each, please include:

1. Project title, Timeline and specific Location within the country,
2. Main project interventions, and Target population,
3. Implementing entity,
4. Lessons learned
5. Overlaps and synergies with the proposed project.

CR8: Please include a sound no duplication statement for each related project identified (e.g. by indicating the distinct geographic locations and/or types of interventions).

CR9: Please include any relevant regional projects if they exist.

May 11, 2026

Response: Pending

Secretariat: CAR9: Not Cleared.

While Table 5 have been included in Part II.F (p. 35 – p. 36), please include all the identified projects in the table.

In addition, please add a new column to include the justification for no duplication, and use sound justifications in each case.

CR8: Not Cleared.

Please see CAR9.

CR9: Cleared.

As per revised Part II.F (p. 38). Last paragraphs include the identified regional initiatives.

June 17, 2026

Response: Cleared

Secretariat: CAR9: Cleared

Table 5 (now Table 7) has been revised to include all relevant projects identified during project preparation and referenced in the Concept Note. The original information has been retained and additional projects have been incorporated to provide a comprehensive overview of ongoing and past interventions in sanitation, WASH, urban development, and climate resilience.

A new column, "Justification for no duplication," has been added. This column provides clear, project-specific explanations demonstrating how the proposed project differs from existing initiatives in terms of technical scope, level of intervention, geographic focus, and implementation approach.

CR8: Cleared

Table 7 includes a new column which includes a sound no duplication statement for each related project identified

July 13, 2026

Does the project / programme have a learning and knowledge management component to capture and feedback lessons?

Response: Pending

Secretariat: Yes.

However, additional information is required.

Part II F (page 21) describes the Learning and Knowledge Management aspects of the project and states that Learning and knowledge management are integrated throughout the entire project cycle in all components. This includes capacity building, knowledge-sharing platforms, documentation of lessons learned, and dissemination mechanisms. Project experiences will be shared through national and local meetings, workshops, social media channels, and publications in both local and international journals, thereby contributing to global and national knowledge on climate-resilient sanitation and lessons learned. In addition, Phase/Component 4 specifically deals with Evaluation and Dissemination of Lessons learned.

CR10: Kindly clarify the following:

1. Which entities will be responsible for tracking the experiences gained, how this will be done, and when the tracking will take place. For example, what entity will be responsible for the knowledge-sharing digital platform.
2. Explain how the knowledge generated will be sustained after the project concludes and what arrangements will be needed to support these actions.
3. What feedback measures are put in place to evaluate and refine the training materials and capacity building activities to ensure that they are more effective and impactful.

May 11, 2026

Response: Pending

Secretariat: CR10: Not Cleared.

The information provided is broad (p. 38 – p. 39).

1. What will be the specific LKM activities, their respective targets, their periodicity (if applicable), and the entity responsible in each case?
2. Explain how the knowledge generated will be sustained after the project concludes and what arrangements (e.g., institutional, financial) will be needed to support these actions.

June 17, 2026

Response: Cleared

Secretariat: CR10:

1. Cleared:

LKM activities, their respective targets, their periodicity, and the entity responsible in each case are provided in paragraph 104.

2. Cleared

It is proposed that the sustainability of knowledge generated through the project will be ensured through institutional, operational, and financial arrangements integrated into national systems. These are elaborated in paragraphs 107 - 110. They include: embedding Knowledge into national systems—through formal adoption of products, an institutionalized digital platform, integrated training, secured budget lines, and a sustainability roadmap to ensure continuous use, updating, and scaling beyond the project.

July 13, 2026

Response: Not Cleared

Secretariat: CAR9 (NEW): Component 4 output 4.1 should be revised to remove the evaluation aspect from the component as this is an IE function which should be covered under IE fees not under project component costs. Please address.

Response: Cleared

Secretariat: CAR9 (NEW): Cleared.

As per amendments to component 4.1.

Has a consultative process taken place, and has it involved all key stakeholders, and vulnerable groups, including gender considerations in compliance with the Environmental and Social Policy and Gender Policy of the Fund?

Response: Pending

Secretariat: Yes.

However, additional information is required.

Part II G (page 22) describes broadly the consultative process. The concept note is the result of the consecutive discussions held at the national and local levels. Project preparation involved ministries of health, environment and urban development, municipal authorities, technical and academic institutions, as well as development partners such as WHO and UN HABITAT Mongolia. However, the information provided is broad. There is no mention of consultations with civil society organizations, groups with a gender remit, marginalized and vulnerable groups in the target areas, nor was there an initial gender analysis or gender assessment.

CAR10: Kindly include in a table listing, per consultation, the following information:

1. The total number of attendees, disaggregated by sex.
2. A summary of the subjects/issues discussed and any agreements reached.
3. Background information to verify whether marginalized and vulnerable groups have been consulted.
4. A summary of the subjects/issues discussed and any agreements reached, for each session.
5. Indicate how the participants' interests have been incorporated in the proposed project, including how gender and other vulnerable group considerations were addressed.

CAR11: Please ensure that the Initial Gender Analysis requested at CAR 4 includes gender dynamics and differentiated impacts between men and women from a national or sector-wide perspective in areas such as education, employment, health, income, and political participation.

May 11, 2026

Response: Pending

Secretariat: CAR10: Not Cleared.

Please include in Table 6 (p. 39), the following:

- Please provide the total number of attendees, disaggregated by sex. Kindly include absolute numbers rather than percentages.
- Please indicate the specific outputs resulting from the issues discussed and agreements reached during the consultations.
- Background information to verify whether marginalized and vulnerable groups have been consulted.
- Indicate how the participants' interests have been incorporated in the proposed project, including how gender and other vulnerable group considerations were addressed.

CAR11: Not Cleared.

Please see CAR4.

June 17, 2026

Response: Cleared

Secretariat: CAR10: Cleared

Table 6 (now Table 8) has been revised as follows to address all comments:

- The total number of participants is now provided with absolute numbers, disaggregated by sex for each consultation.
- A new column has been added to clearly specify the outputs resulting from the consultations, linking stakeholder inputs to concrete project design elements.
- Additional information has been included to demonstrate the participation of marginalized and vulnerable groups, including women, low-income households, and community representatives in ger areas.
- The table now explicitly indicates how participants' inputs, including gender and vulnerability considerations, have been incorporated into the project design, including technology selection, targeting, and implementation approaches.

CAR11: Cleared

See response to CAR4 which addresses the issues raised.

July 13, 2026

Is the requested financing justified on the basis of full cost of adaptation reasoning?

Response: Pending

Secretariat: Unsure.

Additional information is required.

Part II Section H (page 23) provides the justification for the funding requested citing inter-alia, vulnerability, participation, sustainability, learning/replication, and cost-effectiveness among the reasons. However, it does not adequately demonstrate why full cost funding is necessary rather than partial or blended financing.

CR11: Kindly indicate whether the project requires co-financing. If so, explain how all outputs and outcomes will be achieved regardless of the availability of such co-financing.

CR12: Please provide details on how the proposed project's objective will be achieved in terms of adaptation.

Additionally, include information on the costs of the proposed activities, with reference to alternative options.

May 11, 2026

Response: Pending

Secretariat: CR11: Cleared.

As the project does not require co-financing. The CN states that "Without AF support, these adaptation components—particularly feasibility testing, resilience features, behaviour change, monitoring, and system-level integration—would not be implemented, leading to continued system failure, environmental contamination, and health risks".

CR12: Not Cleared.

Please include more specific comparisons as the information about the alternative options is too general.

June 17, 2026

Response: Cleared

Secretariat: CR12: Cleared

Paragraph 122 presents a cost comparison of the traditional pit latrines and conventional improved pit or simple septic options versus the proposed climate-resilient decentralized model, which has a higher investment cost but delivers much greater adaptation value, lower failure risk and much greater economic benefits,

July 13, 2026

Response: Not Cleared

Secretariat: At paragraph 119 please remove the word "incremental" in the first sentence as the current reading of the sentence with this goes contrary to the Adaptation Fund's full cost of adaptation principle.

Response: Cleared

Secretariat: Cleared.

As per deletion of "incremental" at paragraph 119.

Is the project / program aligned with AF's results framework?

Response: Pending

Secretariat: No.

Additional information is required.

Annex 5 (pp 27 – 33) presents the alignment with the Adaptation Fund Strategic results framework 2019. However, the table needs to be adjusted using the guidelines set out in Results Framework Alignment

Table (Amended in November 2025).

CAR12: Please ensure the following information is included in the table at Part III.A:

1. All project's outputs and outcomes indicators are SMART.
2. Please ensure consistency between the AF outcome, outcome indicators, output and output indicators according to the Adaptation Fund Strategic Results Framework outlined in the updated AF Results Framework (nov 2025).
3. Update the table using the format provided in the updated AF Results Framework, and complete it following the instructions in the same document.
4. Ensure that the grant amount sum for the project outcomes for each component aligns with the corresponding amounts for each component in the Table of Project Components and financing.
5. Ensure that each AF indicator has its own financial line in the grant amount column. Do not lump together the amounts for various indicators.

CAR 13: Only the alignment table is required for the concept note stage Part III please delete the implementation arrangements narrative.

May 11, 2026

Response: Pending

Secretariat: CAR12: Not Cleared.

Please amend all Part III.A according to the CN template. All information should be presented in one table according to the template.

In addition, please ensure that:

1. All project's outputs and outcomes indicators are SMART.
2. Please ensure consistency between the AF outcome, outcome indicators, output and output indicators according to the Adaptation Fund Strategic Results Framework outlined in the updated AF Results Framework (nov 2025).
3. Update the table using the format provided in the updated AF Results Framework, and complete it following the instructions in the same document.
4. Ensure that the grant amount sum for the project outcomes for each component aligns with the corresponding amounts for each component in the Table of Project Components and financing.
5. Ensure that each AF indicator has its own financial line in the grant amount column. Do not lump together the amounts for various indicators.

CAR13: Cleared

June 17, 2026

Response: Not Cleared

Secretariat: CAR12: Not Cleared

While the Alignment Table (Table 10) has been revised. There are some aspects of the table which still need to be adjusted. These are as follows:

1. In the upper part of the table, the exact wording of the AF Outcome in the guidelines is not used. For example, Outcome 8 for Objective 2 and AF Outcome indicator 4.2 for Objective 3.
2. In the lower part of the Alignment Table some of the Outputs are not consistent with the Outcomes in the upper part of the table. For example, For Project Outcome 1, Adaptation Fund Outputs 1.1 and 3.2 are listed but AF Outcome 1 and 3 are not listed among the Outcomes for Objective 1. Please ensure that there is consistency between the Outcome indicators in the upper part of the table and the Outcome indicators in the lower part of the table.
3. Please number the Expected Outcomes in the Project Components Table using a system which links it to the

Component (e.g. Outcome 1.1 for Component 1, Outcome 2.1 for Component 2 , Outcome 3.1, 3.2 and 3.3 respectively for Components 3a, 3b and 3c) and Outcome 4.1 for Component 4, and use the same numbers in the Alignment table instead of using Outcome s 5, 6, 7 and 8. In this way it is easier to determine how they are aligned in all the tables.

4. The sum of the grant amounts in the lower part of the table does not total USD12,388,000 neither do the amounts attributed to the various Outcomes coincide with the Outcome amounts in the Components table. By renumbering the Outcomes in the lower part of the table so that they linked with the Components, it would be possible to ensure that the totals of the Outcomes for each Component coincide with the Project Components and Financing Table and that the Totals in the upper and lower part of the Alignment Table coincide.

July 14, 2026

Response: Not Cleared

Secretariat: CAR12: Not Cleared

1. While noting the updates from the previous comment, please revise the alignment table with the updated guidance document at the link below:

<https://www.adaptation-fund.org/document/alignment-with-adaptation-fund-results-framework-template-and-guidance-dec-2025/>

August 12, 2026

Response: Not Cleared

Secretariat: CAR12: Not cleared

2. Please also ensure that the grant amount is presented per AF indicator and that the grant amount for indicators are not lumped together.

Response: Not Cleared

Secretariat: CAR12: Not cleared

1. Cleared.

2. Not cleared:

For the results framework alignment table each AF indicator's grant amount must be separated and not lumped together. e.g. Indicator 1: People using climate-related threat and hazard information ([# of people, by sex, by sector, and by hazard]

AND Indicator 2: Institutions with strengthened capacity to understand and better address climate risks and resilience [# of institutions, disaggregated by scale, by sector,

and by type of institution] are lumped together in the top part of the table as \$200,000. This should be changed so that the amount for Indicator 1 is separated from grant amount for indicator 2. Please address throughout the table.

Response: Cleared

Secretariat: CAR12: Cleared

As per separation of grant amounts for AF indicators.

Has the sustainability of the project/programme outcomes been taken into account when designing the project?

Response: Pending

Secretariat: Yes.

However, additional information is required.

Part II Section I (pp 23 – 24) indicates that sustainability of the project/programme outcomes has been considered by strengthening local governance, institutional capacity, and community ownership, so that climate resilience becomes a routine aspect of daily practice rather than a one-time intervention. However, there are other aspects of sustainability which were not mentioned, particularly, economic, social, environmental and financial sustainability. In addition, issues related to maintenance and replication/scaling were also not mentioned to show how the outcomes are sustained after the life of the project.

CR13: Please identify the adaptation benefits that will remain after the project concludes and clarify whether these benefits can be replicated and/or scaled up.

CR14: Please restructure the section on Sustainability to show how all dimensions – economic, social, environmental, institutional and financial and any other relevant dimensions will be addressed. Particularly after the life of the project.

CR15: Kindly explain clearly how replication and scaling up of the proposed project activities and benefits will be achieved. This should include all necessary arrangements to guarantee the project's sustainability and long-term maintenance.

May 11, 2026

Response: Pending

Secretariat: CR13: Cleared.

As per revised Part II.J (p.42 – p.43). Adaptation benefits have been included as well as the mechanisms for replication and scale up.

CR14: Not Cleared.

Please strengthen the sustainability point of view of all dimensions as currently are too broad.

CR15: Cleared.

As per revised Part II.J (p.42 – p.43). Adaptation benefits have been included as well as the mechanisms for replication and scale up.

June 17, 2026

Response: Not Cleared

Secretariat: CR14: Not cleared

A comprehensive, strengthened description of the various dimensions of sustainability are provided in the response but this is not reflected in the revised CN. Please revise the CN accordingly to include the information provided in the response. In addition, other aspects of sustainability were not included, such as O&M financing plan with revenue streams and affordability safeguards, supply-chain development to ensure spare parts and services in extreme seasons; fuller environmental safeguards covering pathogen management, desludging, reuse and lifecycle GHGs; private-sector business models and incentives for market viability, to name a few.

July 15, 2026

Response:

Not Cleared

Secretariat: CR14: Not Cleared:

Partially addressed. The proposal presents a reasonably strong sustainability framework, including technology validation, operation and maintenance training, community engagement, integration into national policies and standards, and monitoring systems. However, the plan remains largely aspirational. Financial and operational sustainability needs further detail, particularly on long-term financing for operation and maintenance; desludging and fecal sludge management services; post-project responsibilities of local authorities and PHC facilities; affordability measures for vulnerable households; and institutional commitments and budget allocations beyond project completion. Please clarify how these measures will be operationalized. If a concrete plan has not yet been developed, please confirm that it will be provided at the Full Proposal stage.

August 12, 2026

Response:

Cleared

Secretariat: Cleared.

Based on the updates to output 3.3 and the clarifications in the review sheet that "a fully elaborated sustainability plan, including financing arrangements, institutional commitments, and implementation mechanisms, will be provided at the Full Proposal stage".

Does the project / programme provide an overview of environmental and social impacts / risks identified, in compliance with the Environmental and Social Policy and Gender Policy of the Fund?

Response:

Pending

Secretariat: Unsure.

Additional information is required.

An overview of the environmental and social impacts and risks identified as being relevant to the project/programme is presented in the narrative and table on pages 24 – 25. The proposal is classified as Category B based on the initial screening, and the identified risks which are considered small-scale, reversible, and manageable through appropriate mitigation measures. A Checklist is completed in which the risks have been identified against the 15 ESP Principles. However, the level of each risk is not indicated neither is there an indication that all potential direct, indirect, transboundary, and cumulative impacts that could result from the proposed project/programme have been taken into consideration. In addition, no initial gender assessment has been included.

CAR14: Please revise the Checklist table as follows:

1. indicate what further assessment is needed for those not marked in column 2, and arrangements to ensure compliance for all E&S principles. Also flag USPs at related principles.
2. Describe all potential impacts (direct, indirect, transboundary and cumulative) and risks that could result from the project.
3. Identify the level of the risks and impacts (low, moderate, high).
4. Risk should describe as: "There is a risk" and should be accompanied by mitigation plans.
5. Kindly leave a check mark in the second column 'No further assessment required for compliance' if no further assessment and leave blank if an assessment is to be conducted. No text should be included in the second

column.

CAR15: Please note for the checklist that Adaptation Fund Principles 1, 4 and 6 always apply. For more information, please visit: AF's ESP guidance and Environmental and Social Policy .

CAR16: Please ensure that the Initial Gender Analysis, requested at CAR 4 includes qualitative and quantitative data, in order to clarify the opportunities and challenges/risks for men and women.

May 11, 2026

Response: Pending

Secretariat: CAR14: Not Cleared.

Please amend the following in Table 7:

- Follow the correct format for this table. See original template for the AF CN.
- indicate what further assessment is needed for those not marked in column 2, and arrangements to ensure compliance for all E&S principles. Also flag USPs at related principles. This should be included in the third column.
- Describe all potential impacts (direct, indirect, transboundary and cumulative) and risks that could result from the project in the third column.
- Include the level of the risks and impacts (low, moderate, high) in the third column in the third column.

CAR15: Cleared.

As per Table 7. Principles 1, 4 and 6 have been unchecked to reflect that continuous assessment/monitoring will be conducted throughout project implementation.

CAR16: Not Cleared.

As the initial gender analysis included in Part II.B does not show quantitative data (p.27). Please see CAR4.

June 17, 2026

Response: Not Cleared

Secretariat: CR14: Not cleared

Table 9 has been amended to reflect the suggested revisions. However, it is noted that for none of the checklist of environmental and social principles, in column 2 selected. Does this mean that none of the principles will be further assessed for compliance?

CAR16: Cleared

This has been addressed in CAR4

July 14, 2026

Response: Not Cleared

Secretariat: CAR14

1. The attempt to address is well noted. However, at column 2 please remove the "required text and leave blank where these occur. At Indigenous peoples please include only 'X' at column 2.

2. Additionally, please include justification for why the risks to indigenous peoples does not apply to this project.

August 12, 2026

Response: Not Cleared

Secretariat: CAR4: Not cleared.

Column 2 should be blank if no further assessment is required. Place an X if further assessment is required. Please note that there should be an X for principles 1, 4 and 6 as further assessment for those are always required.

Response: Cleared

Secretariat: CAR4: Cleared.

As per amended Risk table.

Resource Availability

Is the requested project / programme funding within the cap of the country?

Response: Cleared

Secretariat: Yes.

The requested funding is USD 14,850,937 which is within the cap for the country.

May 11, 2026

Response: Cleared

Secretariat: Requested financing is now USD 13,645,664 .

Is the Implementing Entity Management Fee at or below 8.5 per cent of the total project/programme budget before the fee?

Response: Pending

Secretariat: Yes.

However, some amendments are required.

All figures are rounded to whole numbers, and the Implementing Entity Management Fee is 8.5% (USD 1,163,437).

However, figures in the Components Table do not add up. Total Component Cost is USD 12,388,000 (which is the sum of USD 200,000 + 500,000+ 400,000 + 10,588,000 + 400,000 + 300,000) not 12,500,000. In addition, the PFG request is not consistent between the form and the CN cover page.

CAR17:

1. Please change the Total Component Fee in the Project Component and Financing table to USD 12,388,000.

CR16: Please amend the PFG form as follows:

1. Assess the proposed size and revise it accordingly.
2. The PFG form currently looks incomplete. In column 1 row 1, the sentence is incomplete. It also seems as if a page may be missing from the PFG form to continue the table. Please ensure that the request form is completed.

3. Include a PFG fee in the PFG form. The fee should not exceed 8.5% for the Implementing Entity's management.
4. Ensure consistency between the figures presented in the PFG form and the CN cover page. Currently, the PFG form indicates a requested amount of 82,180, while the CN cover page states 89,987.
5. Please confirm that PFG resources are not needed to develop a budgeted ESMP and Gender Action plan both of which are required as part of the full proposal package.

May 11, 2026

Response: Pending

Secretariat: CAR17: Cleared.

1. As per the changes made in Table 1, Part I (p.8-p.13). Total component fee has been changed to USD 12,388,000.

2. The budget per output has been included.

CR16:

1. Cleared.

PFG has been adjusted.

2. Cleared.

As per revised PFG. All sentences are now complete.

3. Not Cleared.

PFG now includes an 9.5% fee for the IE management. This should be reduced to 8.5% of the amount being request which is currently \$82,180 and should therefore be \$6985 to make the total PFG request amount to \$82,180+\$6985= \$89,165.

4. Not cleared.

Please update the PFG amount based on CR16.3.

5. Cleared.

As per revised PFG form.

CAR1(NEW): Since the PFG form is not signed by the WHO representative on record with the AF, please provide evidence of her support for the country manager's signature of the PFG request form.

Jun 17, 2026

Response: Cleared

Secretariat: CR16: Cleared

3. IE management fee in PFG amount has been revised to 8.5%

4. PFG amount revised

CAR1(NEW): Cleared

CN signed by the WHO Representative

July 15, 2026

Response: Not Cleared

Secretariat: CAR10 (NEW): At Table 1- Components Financing Table, please ensure the following:

1. Include only \$amount in column 4 (delete all other text) Simply align the figures to the relevant output.
2. Please delete the activities from column 2.

Response: Cleared

Secretariat: CAR10 (NEW): Cleared.

This has been addressed.

Are the Project/Programme Execution Costs at or below 9.5 per cent of the total project/programme budget (including the fee)?

Response: Pending

Secretariat: Yes.

However, some amendments are required.

All figures are rounded to whole numbers. However, the Project Execution cost of USD 1,299,500 is at 9.5 % of the total budget (including fee). As WHO will also be serving as The Executing Entity, keep in mind that the execution cost ceiling is limited to 1.5% of the total cost of executed activities.

CAR18: Kindly note that as per the AF requirements, the IE (WHO) execution cost ceiling is limited to 1.5% of the total cost of “executed activities”. Please use the Adaptation Fund definitions and Adaptation Fund Calculator to calculate the fees and amend accordingly.

CR17: Please clarify whether the Executing Agency is solely the World Health Organization. If so, kindly remove the names of the institutions listed after “Partnering with:” on the cover page.

May 11, 2026

Response: Pending

Secretariat: CAR18: Not Cleared.

As per revised Table 1. Figures are not consistent with WHO serving as the EE and IE of the proposed project. The EE fees should be reduced to 1.5% but currently reflect as 8.67%(\$1,176,860) of the total project cost amount of 13,565,860 if the IE is executing the entire project.

CR17: Not Cleared.

Please clarify whether the Executing Agency is solely the World Health Organization. If so, kindly remove the names of the institutions listed after “Partnering with:” on the cover page.

June 17, 2026

Response: Cleared

Secretariat: CAR16: Cleared

EE fees revised to 1.5 %

CR17: Cleared

WHO is the sole Executing Agency. The amendment has been made to the cover page

July 15, 2026

Eligibility of IE

Is the project/programme submitted through an eligible Implementing Entity that has been accredited by the Board?

Response: Pending

Secretariat: Yes.

The World Health Organization (WHO) is an eligible Multilateral Implementing Entity (MIE).

Accreditation expiration date: 23 November 2028.

May 11, 2026

Response: Pending

Secretariat: CAR2(NEW): Please ensure that the re-submitted concept note is signed by the authorized AF signatory. Please also note CAR1(NEW) above.

June 17, 2026

Response: Cleared

Secretariat: CAR2(NEW): Cleared

Resubmitted CN endorsed and signed by the authorized AF signatory

July 15, 2026

Response: Not Cleared

Secretariat: CAR11 (NEW): For July 30th version of document the PFG is not signed by the IE authorized representative and the CN is unsigned.

1. Please confirm that the Country representative was authorized to sign the PFG request form.

2. Please ensure that the re-submitted CN is signed.

Response: Cleared

Secretariat: CAR11 (NEW): Cleared.

Both PFG and CN now signed.



Revised PFG Submission Form¹ (additions in red)

Project Formulation Grant (PFG)

Submission Date: 2 September 2026 ~~28 Aug 2026~~

Adaptation Fund Project ID: Single Country Project Concept Note

Country/ies: Mongolia

Title of Project/Programme: Transitioning to healthy and climate-resilient sanitation in ger areas of Ulaanbaatar, Mongolia

Type of IE (NIE/RIE/MIE):

Implementing Entity: World Health Organization

Executing Entity/ies: World Health Organization Country Office in Mongolia

A. Project Preparation Timeframe

Start date of PFG	December /2026*
Completion date of PFG	March /2027*

*If the project concept note is approved by 47th Adaptation Fund Board Meeting (5-9 October 2026), WHO will facilitate the development of full proposal, in close collaboration with stakeholders starting December 2026. It is estimated that the full proposal development will take four months.

B. Proposed Project Preparation Activities (\$)

List of Proposed Project Preparation Activities	Output of the PFG Activities	US\$ Amount	Budget note²
Development of full proposal. 1.To conduct baseline assessment on sanitation system and types of	Output 1. Full project proposal 1.1 Baseline assessment report on sanitation system	82,180	Two national consultants : 2930\$*2*4 months = 23,440 USD

¹ As presented in AFB/PPRC.33/40 Annex 1.

² The proposal should include a detailed budget with budget notes indicating the break- down of costs at the activity level. It should also include a budget on the Implementing Entity management fee use.

sanitation technology used in peri-urban (ger areas) and their operation and maintenance through four seasons 2.To conduct baseline assessment on needs and demand of people for improving their sanitation facilities 3.To organize stakeholder's consultation at national and local level to present the result of baseline assessment and discuss proposed interventions 4. To develop a full proposal as per the requirements of the Adaptation Fund 5. To organize the validation workshop to present the final draft full proposal 6. To develop environmental and social management plan (ESMP) following the Adaptation Fund's Environmental and Social Policy 7. To develop Budgeted Gender Action Plan	1.2 Baseline assessment report on needs of community 1.3 Stakeholders' consultation report 1.4 Validation workshop report 1.4 Budgeted Environmental and Social Management plan (ESMP) 1.5 Budgeted Gender Action plan 1.6 Full project proposal with detailed activities, M&E framework and detailed budget		International consultant: 8,000*4=32,000 USD Transportation and per diem cost for international consultant = 3000+(154*60 days) =12,240 USD Stakeholder's two workshop and interview cost: 12,000 USD Local travel = 2500 USD
		82,180	
IE fee (support costs) (8.5%)	IE will provide admin and technical support for conducting the assessment, workshop, development of full proposal	6,985	

Total Project Formulation Grant		89,165	
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Please describe below each of the PFG activities and provide justifications for their needs and for the amount of funding required:

The PFG will support a baseline assessment and environmental and social management plan development to inform the design of a full proposal that facilitates the transition to climate-resilient sanitation systems in peri-urban (ger areas) of Ulaanbaatar, Mongolia.

The baseline assessment covers the components below:

- Review of the overall sanitation system, including governance, human resources, monitoring, and financial mechanisms.
- Analysis of sanitation technologies currently used in ger areas, with considering to operation and maintenance.
- Assessment of community needs and demand to improve sanitation facilities.

The assessment will combine qualitative and quantitative methodologies, including policy document and report review, site visits to evaluate operation and maintenance of technology across the sanitation chain (containment, collection, transport, treatment, reuse/disposal), and interviews with health and non-health policymakers, officials, partners, and community representatives. Gender and social inclusion perspectives will be integrated throughout.

The assessment findings will be shared with stakeholders along with a draft proposal for inputs prior to finalization.

WHO, as the Implementing Entity, will develop terms of reference for the full proposal, hire two national consultants and one international consultant (with expertise in environmental health and sanitation engineering), and oversee implementation of PFG activities while providing technical inputs.

C. Implementing Entity

This request has been prepared in accordance with the Adaptation Fund Board's procedures and meets the Adaptation Fund's criteria for project identification and formulation

Implementing Entity Coordinator, IE Name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Elena Villalobos Prats, Technical Officer, WHO/HQ/HEP/ECH/CCH Tel. And Email: +41792510315 and villalobose@who.int		~~28 August~~ <u>28 September</u> 2, 2026	Dr Socorro Escalante, WHO Representative to Mongolia	976 99033311	escalantes@who.int
			Dr AHMADOVA, Shalala Rafayil, Coordinator/Integrated Diseases Control	976- 95022270	ahmadovasha@who.int



**MONGOLIA
MINISTRY OF ENVIRONMENT
AND CLIMATE CHANGE**

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Website: www.mecc.gov.mn

Date 05. August 2026
Ref. 05a/4714

TO: THE ADAPTATION FUND BOARD
C/O ADAPTATION FUND BOARD SECRETARIAT

Subject: Endorsement for Concept Note for Single-Country Project: Transitioning to Healthy and Climate-Resilient Sanitation in Ger Areas of Ulaanbaatar, Mongolia

Dear Members of the Adaptation Fund Board,

In my capacity as the National Designated Authority for the Adaptation Fund in Mongolia, I hereby confirm that the Concept Note for the Single-Country Project entitled "Transitioning to Healthy and Climate-Resilient Sanitation in Ger Areas of Ulaanbaatar, Mongolia" aligns with the Government of Mongolia's national priorities for climate change adaptation and contributes to strengthening resilience to the adverse impacts of climate change.

A series of consultations have taken place among the World Health Organization (WHO), acting as the Multilateral Implementing Entity, the Ministry of Environment and Climate Change, the Ministry of Health, and other relevant stakeholders. These consultations have demonstrated broad support for the proposed project and its objectives.

Accordingly, I am pleased to endorse this concept note for consideration by the Adaptation Fund. Should the concept be approved, the World Health Organization will lead the development of the full project proposal in close collaboration with the Ministry of Environment and Climate Change, the Ministry of Health, and relevant partners. The full proposal will further elaborate the project's design, budget, implementation arrangements, and environmental and social risk management measures.

Please accept the assurances of my highest consideration.

Sincerely,

Ariuntuya Dorjsuren
Director General, International Cooperation Division
National Designated Authority for the Adaptation Fund

1526090393



**MINISTRY OF HEALTH
OF MONGOLIA**

2026 .03. 1 G

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Date: 13 March 2026
Ref: 1/49

To: The Adaptation Fund Board
Attn: Adaptation Fund Board Secretariat
From: Dr. Chinburen Jiggidsuren, Minister of Health and Member of State Great Khural (Parliament) of Mongolia
Subject: Support for Concept Note for Single-Country Project: Transitioning to Healthy and Climate-Resilient Sanitation in Ger Areas of Ulaanbaatar, Mongolia

Dear Members of the Adaptation Fund Board,

The Concept Note for the Single-Country Project titled "Transitioning to Healthy and Climate-Resilient Sanitation in Ger Areas of Ulaanbaatar, Mongolia" is fully aligned with the Government of Mongolia's national priorities in health, environment, climate change, energy and infrastructure development.

The project addresses a critical public health challenge in peri-urban areas, where households and health care facilities continue to rely on non-climate-resilient sanitation systems, particularly pit latrines that are inadequate for cold weather and flooding conditions. These facilities contribute to environmental pollution and significantly increase the risk of infectious disease transmission.

The proposed project seeks to protect and improve the health and well-being of residents in the peri-urban (ger) areas of Ulaanbaatar by promoting the adoption of innovative, healthy, and climate-resilient sanitation systems and services at both household and health care facility levels. It integrates community engagement, behavior change, and multisectoral approaches to ensure government ownership, leadership, and long-term sustainability.

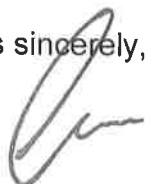
Since the initiation of the concept note, the Ministry of Health, the Ministry of Environment and Climate Change, the World Health Organization, and the local

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governor's office have held consecutive discussions to identify problems, define project components, and align justifications with both Adaptation Fund policies and national strategies. These consultations have resulted in a shared commitment to support the proposed project.

Accordingly, the Ministry of Health is pleased to support this concept note submitted by the World Health Organization for consideration under the Adaptation Fund. If approved, the Ministry of Health will continue to provide its support to the World Health Organization in the development of the full project proposal, in close collaboration with the Ministry of Environment and Climate Change and other stakeholders.

Yours sincerely,

A handwritten signature in dark ink, appearing to be 'Chinburen Jigjidsuren', written in a cursive style.

Dr. Chinburen Jigjidsuren
Minister